COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS	)	
ADJUSTMENT FILING OF KENTUCKY-	)	CASE NO. 91-138-H
OHIO GAS COMPANY	)	

ORDER

IT IS ORDERED that Kentucky-Ohio Gas Company ("KOG") shall file the original

and four copies of the following information with the Commission within 10 days of the date

of this Order. When a response requires multiple pages, each page should be indexed

appropriately, for example, Item 1(a), Page 2 of 4. Careful attention should be given to

copied material to ensure that it is legible.

1.   Refer to the Expected Gas Cost Adjustment calculation on Schedule II of

KOG's filing.

a.   What was the Mcf sales and purchase volume for the 12 months

ended September 30, 1997? If the correct volumes are 184,947 Mcf and 187,142 Mcf,

respectively, as shown in the line loss calculation, then explain the relationship between

these figures and the volumes used to calculate the total proposed expected gas cost of

$504,120.

b.   From what suppliers does KOG expect to be purchasing gas in the 12

months beginning January 1, 1998? What volumes does it expect to purchase from each?

If the total volumes purchased are expected to be substantially different from volumes purchased in 1997, explain.

c.   What rates does KOG expect to pay for gas to suppliers identified in part B of this question during the calendar quarter beginning January 1, 1998? How are these expected rates reflected in the rates of $2.81 and $1.15 included in the rate column? Provide supporting documentation and calculations involved, if any.
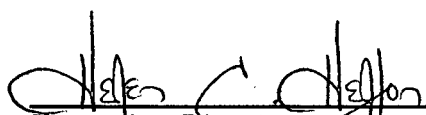
2.   Provide a Schedule IV, actual adjustment calculation for the months April, May and June of 1997 showing the correct EGC in effect for month of $3.19, and verifying the unit cost of gas supplied in an earlier calculation as being $.1659, $.2342, and $.4034 per Mcf, respectively.

Done at Frankfort, Kentucky, this 21st day of January, 1998.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

Executive Director